

LEGISLATURE OF NEBRASKA

NINETY-NINTH LEGISLATURE

SECOND SESSION

LEGISLATIVE BILL 1094

Introduced by Stuhr, 24; Cunningham, 40; Fischer, 43; Hudkins, 21;
Louden, 49

Read first time January 13, 2006

Committee: Revenue

A BILL

1 FOR AN ACT relating to tourism; to amend sections 77-2701 and
2 77-2715.07, Revised Statutes Supplement, 2005; to provide
3 for registration of agritourism operators; to provide an
4 income tax credit for the cost of agritourism liability
5 insurance; to provide operative dates; and to repeal the
6 original sections.

7 Be it enacted by the people of the State of Nebraska,

1 Section 1. (1) Any person who is engaged in the business
2 of providing one or more agritourism activities may register with
3 the Department of Economic Development. The registration shall
4 contain:

5 (a) Information describing the agritourism activity which
6 the person conducts or intends to conduct; and

7 (b) Information describing the location where the person
8 conducts or intends to conduct such agritourism activity.

9 (2) The department shall maintain a list of all
10 registered agritourism operators, the agritourism activities
11 conducted by each operator, and the location where the operator
12 conducts such activities. The list shall be made available to
13 the public. The department, in conjunction with other agritourism
14 and rural economic efforts of the department, shall promote
15 and publicize registered agritourism operators, activities, and
16 locations.

17 (3) Registration pursuant to this section shall be for
18 five years.

19 (4) No fee shall be charged to persons registering under
20 this section.

21 (5) For purposes of this section, agritourism activity
22 means any activity which allows members of the general public,
23 for recreational, entertainment, or educational purposes, to view
24 or enjoy rural activities, including, but not limited to, farming
25 activities, ranching activities, or historic, cultural, or natural

1 attractions. An activity may be an agritourism activity whether
2 or not the participant pays to participate in the activity. An
3 activity is not an agritourism activity if the participant is paid
4 to participate in the activity.

5 Sec. 2. There shall be allowed a credit with respect
6 to the income taxes imposed by the Nebraska Revenue Act of 1967
7 equal to twenty percent of the cost of liability insurance for
8 agritourism activities paid by an agritourism operator registered
9 under section 1 of this act. The tax credit shall not exceed two
10 thousand dollars for any taxable year. If the amount of such tax
11 credit exceeds the taxpayer's income tax liability for a taxable
12 year, the excess amount may be carried over for the next three
13 succeeding taxable years.

14 Sec. 3. Section 77-2701, Revised Statutes Supplement,
15 2005, is amended to read:

16 77-2701 Sections 77-2701 to 77-27,135.01, 77-27,222, and
17 77-27,228 to 77-27,234 and section 2 of this act shall be known and
18 may be cited as the Nebraska Revenue Act of 1967.

19 Sec. 4. Section 77-2715.07, Revised Statutes Supplement,
20 2005, is amended to read:

21 77-2715.07 (1) There shall be allowed to qualified
22 resident individuals as a nonrefundable credit against the income
23 tax imposed by the Nebraska Revenue Act of 1967:

24 (a) A credit equal to the federal credit allowed under
25 section 22 of the Internal Revenue Code; and

1 (b) A credit for taxes paid to another state as provided
2 in section 77-2730.

3 (2) There shall be allowed to qualified resident
4 individuals against the income tax imposed by the Nebraska Revenue
5 Act of 1967:

6 (a) For returns filed reporting federal adjusted
7 gross incomes of greater than twenty-nine thousand dollars, a
8 nonrefundable credit equal to twenty-five percent of the federal
9 credit allowed under section 21 of the Internal Revenue Code of
10 1986, as amended;

11 (b) For returns filed reporting federal adjusted gross
12 income of twenty-nine thousand dollars or less, a refundable credit
13 equal to a percentage of the federal credit allowable under section
14 21 of the Internal Revenue Code of 1986, as amended, whether or
15 not the federal credit was limited by the federal tax liability.
16 The percentage of the federal credit shall be one hundred percent
17 for incomes not greater than twenty-two thousand dollars, and
18 the percentage shall be reduced by ten percent for each one
19 thousand dollars, or fraction thereof, by which the reported
20 federal adjusted gross income exceeds twenty-two thousand dollars;

21 (c) A refundable credit for individuals who qualify for
22 an income tax credit under the Beginning Farmer Tax Credit Act for
23 all taxable years beginning or deemed to begin on or after January
24 1, 2001, under the Internal Revenue Code of 1986, as amended; and

25 (d) A refundable credit for individuals who qualify for

1 an income tax credit under the Nebraska Advantage Microenterprise
2 Tax Credit Act or the Nebraska Advantage Research and Development
3 Act.

4 (3) There shall be allowed to all individuals as a
5 nonrefundable credit against the income tax imposed by the Nebraska
6 Revenue Act of 1967:

7 (a) A credit for personal exemptions allowed under
8 section 77-2716.01; and

9 (b) A credit for contributions to certified community
10 betterment programs as provided in the Community Development
11 Assistance Act. Each partner, each shareholder of an electing
12 subchapter S corporation, each beneficiary of an estate or trust,
13 or each member of a limited liability company shall report his or
14 her share of the credit in the same manner and proportion as he
15 or she reports the partnership, subchapter S corporation, estate,
16 trust, or limited liability company income.

17 (4) There shall be allowed as a credit against the income
18 tax imposed by the Nebraska Revenue Act of 1967:

19 (a) A credit to all resident estates and trusts for taxes
20 paid to another state as provided in section 77-2730; and

21 (b) A credit to all estates and trusts for contributions
22 to certified community betterment programs as provided in the
23 Community Development Assistance Act.

24 (5) There shall be allowed to all business firms as a
25 credit against the income tax imposed by the Nebraska Revenue Act

1 of 1967 a credit as provided in section 77-27,222.

2 (6) There shall be allowed to all registered agritourism
3 operators as a nonrefundable credit against the income tax imposed
4 by the Nebraska Revenue Act of 1967 a credit as provided in section
5 2 of this act.

6 Sec. 5. Sections 2, 3, 4, 5, 6 of this act become
7 operative on January 1, 2006.

8 Sec. 6. Original sections 77-2701 and 77-2715.07, Revised
9 Statutes Supplement, 2005, are repealed.